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A Critical Analysis of the Contributions of Notable Black Economists

Kojo A. Quarthey



A CRITICAL ANALYSIS OF THE CONTRIBUTIONS OF NOTABLE BLACK ECONOMISTS

*Dedicated to my father, E.K. Quartey,
a true African scholar.*

A Critical Analysis of the Contributions of Notable Black Economists

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Preface

When Sir W. Arthur Lewis won the Nobel Prize in economics in 1979, I was a freshman in college. I went on to study economics and obtain a doctoral degree in the field. During that time I studied the history of economic thought and heard only limited reference to the ‘British economist.’ It was not until 1989, ten years after Lewis’ crowning achievement, that I realized he was black. As ironic as it may seem, while teaching a course in the history of economic thought at historically black Talladega College, I saw a footnote reference to Lewis in the textbook I was using. He was referred to as the individual who ‘shared the Nobel Prize with Schultz in 1979.’ The section was on Theodore Schultz, and this was the only reference made to Lewis in the entire text. Fortunately, this has been rectified in subsequent editions and liberal coverage has been given to his theories.

That experience was the catalyst for the conception of the idea for and the inception of this book. After delivering several papers on the subject and one or two minor publications, I embarked on this project. It is an attempt to give proper credit to the great black scholars of antiquity and our times, and allow them to take their rightful place in the history of economic thought. Yes, economics can be a noble profession, even for young black children.

It seems paradoxical that worldwide we idolize sports figures and entertainers, yet give little honor to theorists and scholars who shape our minds. While parents want their children to grow up to be sports stars, doctors, lawyers, and even politicians, do parents want their children to become economists? Perhaps, many do not understand what economists do or that economics can lead to great prosperity and fame. As we study the evolution of economic thought through the ages, it is quite easy to overlook the contributions of those who are in the minority. Is it that minorities have made little or no contributions to economics? Or have not enough minorities made significant contributions?

There are some great role model economists, both historical and contemporary, who are worthy of emulation by young blacks, especially those who are aspiring economists. This study looks at the works of such individuals. They include a Nobel Laureate, a former president (Ghana), an international scholar, a university president and a female pioneer, among others.

We hear of black scientists, artists, entertainers, etc. What about black economists? The major purpose of this study is to highlight the achievements of these prominent black economists and to critically analyze their contributions to economic theory, as well as other significant contributions. The individuals included in this study were all trained as economists and have made contributions to the theory and to the black community. The analyses of their contributions are intended to shed more light on those theories and thoughts, and are meant to be more analytical than critical.

We begin by briefly looking at the contributions of Africans to philosophy and economic thought. For centuries, Africans have made numerous contributions to scholarly thought. This, in many instances, has largely gone unrecognized. Theophile Obenga (Sertima, 1993) speaks of Pharaohic Egyptian philosophy, the Thinkers and Philosophers of Alexandria, Cyrenes, Carthage and Hippo (an era which included the great Euclid of geometry fame); the Cyrenaic School of Libya (the birth of Hedonism); Eratosthenes of the Alexandrian School (who measured the earth); Claudius Maximus of Carthage; and last but not least, Saint Augustine of Algeria.

Any student of philosophy and economic history would readily recognize most of the above-mentioned individuals. Their contributions shaped philosophical thought for many centuries and, indeed, some of their contributions have stood the test of time.

Professor G. M. James in his book *Stolen Legacy* (Sertima, 1993) goes as far as accusing Greek philosophers of having stolen African Egyptian ideas based on the Egyptian Mystery System. Those individuals accused of theft include Pythagoras, Zeno, Democritus, Socrates, Plato and Aristotle. James indicates that these individuals either traveled to Egypt or were taught by others who had journeyed to Egypt. We, however, realize that geographically contiguous lands interchange cultures; consequently, no one has a monopoly on any particular culture.

This study is not intended to cast aspersions, nor is it intended to point out inaccuracies in history. The primary focus is to evaluate the positions of selected black economists and to provide some insight into their theories and contributions.

The individuals selected for inclusion in this study all received formal training in economics. They are all to some degree contemporaries and have in one way or another made significant contributions to the field. On that basis, those selected include Sir W. Arthur Lewis, Kwame Nkrumah, Thomas Sowell, W. E. B. Du Bois, Walter Williams, Andrew Brimmer,

Clifton Wharton, Jr., Glenn Loury, William Darity, and Phyllis Ann Wallace. The order in which they appear is largely random.

The study borrows liberally from several sources, including books by the economists and biographical information from the following sources: *Contemporary Black Biography: Profiles from the International Black Community* edited by Barbara Carlisle Bigelow and L. Mpho Mabunda, *Great Economists Since Keynes: An Introduction to the Lives of 100 Modern Economists* by Mark Blaug, *The Evolution of Economic Thought* by Stanley L. Brue, and the *American Economics Review*, Vol. 84.

As each important individual is discussed, three areas will be considered. These are:

- The individual's background and influences.
- The individual's contributions.
- The validity and critical analysis of the individual's contributions.

It is our sincere hope that in this age of multiculturalism, this text can be used as a supplement in history of economic thought courses in the United States, as well as internationally. It could also very well be used as a primary text in a class on the history of black economic thought, and any number of black studies courses.

Series Editor's Preface

In the year 2000, *The Economist* magazine of London published a scandalous feature on what it called 'Africa: the Hopeless Continent'. This book, *A Critical Analysis of the Contributions of Notable Black Economists*, indirectly serves as a fitting rebuttal to the doomsday prophesy of *The Economist*. The magazine abandoned any pretence of balanced reporting by focusing exclusively on the crises that face Africans today without mentioning the immense human, intellectual, cultural and material resources that Africa is blessed with.

The naivety of the hopelessness of *The Economist* is again indirectly debunked by the fact that Professor Kojo Quartey courageously worked on this book in the year 2000 despite losing his beloved father and mentor the same year, proving that even in the valley of the shadow of death, Africans remain optimistic about the greatness of the continent.

Evidence of the amazing antiquity of the greatness of African economists comes in chapter two in the form of ancient scholars and theorists who provided instruction to Greek thinkers but unfortunately those Greeks and their modern followers failed to give credit to the African gurus that preceded them by thousands of years.

The question that this chapter indirectly poses is whether a continent that produced such intellectual giants can be dismissed by journalists who are intellectual nobodies as a hopeless continent? The answer in the whole book is an emphatic negative as the reader goes from page to page, from dazzling genius to awesome genius, male and female, Nobel Laureate specialist and social science generalists, academics and organic intellectuals, all descendants of a people who defiantly survived systematic genocidal attacks that lasted for more than five hundred years and are continuing in different guises today.

The book should serve as a good lesson for general readers who might be uninformed about the contributions of Africans to the important discipline of economics. For young scholars of African descent, the book should serve as a challenge. The reader should not see this book as a praise song or hero worship since the author uncovers controversies after controversies that invite the reader to evaluate the thinkers that are included in the book

critically to see which of their ideas would serve the development of Africa today and which ideas would have to be modified or rejected to make room for new or more effective ideas even from black thinkers that are not included in the book. The fact that only one female economist of African descent and only one continental African man is included in this book should serve as an encouragement to other writers to continue the worthwhile excavation that Professor Quartey started here.

Biko Agozino, Associate Professor
Indiana University of Pennsylvania

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Also, I owe a special gratitude to all those I have failed to mention by name. Finally, special thanks to my mother, Victoria Quartey, and my father, E. K. Quartey, for instilling in me the qualities of hard work and perseverance.



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1 The Nature of Economics

What is economics? This is a question that many individuals have a difficult time answering. Indeed, even some professional economists tend to narrowly define economics. That being the case, how would one expect a young student to understand economics or aspire to become an economist? If one were to ask youngsters if they want to grow up to be an economist, how many of them would even understand the question?

More often than not, the concept of economics is linked to money and to various quantitative analyses. For the purpose of this book, economics is defined much more broadly to include the various areas of philosophy, social science and business, as well as mathematical and quantitative analyses. We begin by providing various definitions of economics to give the reader a better understanding of the nature of economics en route to understanding what it is that economists do and why certain individuals have been included in this book.

Definitions of Economics

Most, if not all, economics textbooks begin by defining economics. In that sense, this text is no different.

Michael Parkin defines economics simply as ‘the science of choice,’ the science that explains the choices we make and how those choices change as we cope with *scarcity* (Parkin, 1998).

Paul Samuelson and William Nordhaus define economics as ‘the study of how society uses scarce resources to produce *valuable* commodities and distribute them among different people’ (Samuelson and Nordhaus, 1998).

Karl Case and Ray Fair define economics as ‘the study of how individuals and societies choose to use the scarce resources that nature and previous generations have provided’ (Case and Fair, 1999).

Other definitions of economics include the following:

- The science or study of wealth (welfare) and its production, applicable either to the individual, the family, the state, or in the widest sense, the world (Hewins, 1910).